1	BEFORE THE
2	ILLINOIS COMMERCE COMMISSION
3	IN THE MATTER OF:
4	SAGE SPECTRUM, LLC)
5	Application for a certificate)
6	of local and interexchange) authority to operate as a) No. 08-0520
7	reseller and facilities-based) carrier of telecommunications) services throughout the State)
8	of Illinois.
9	
10	Chicago, Illinois October 7, 2008
11	Met, pursuant to notice, at 11:00 a.m.
12	BEFORE:
13	Ms. Bonita A. Benn, Administrative Law Judge
14	APPEARANCES:
15	MS. DANIELLE BURT 2020 K Street
16	Washington, D.C. 20006 for the applicant;
17	(telephonically)
18	MS. KAREN CHANG 527 East Capitol Avenue
19	Springfield, Illinois 62701 for ICC staff.
20	(telephonically)
21	SULLIVAN REPORTING COMPANY, by Francisco E. Castañeda, CSR,
22	License No. 084-004235

1			<u>I</u> <u>I</u>	<u>N</u> <u>D</u> <u>E</u> <u>X</u>			
2	Witnesses: D	ireat	Cross	Re-			ner
3	ANDREW KARL	5	9	<u>arrect</u>	CIOSS	13	<u>ner</u>
4							
5							
6							
7							
8							
9		<u>E</u>	<u>X</u> <u>H</u> <u>I</u>	<u>B</u> <u>I</u> <u>T</u> <u>S</u>	5		
10	Number Applicant's	For	Identi	ficatio	<u>on</u>	In	Evidence
11	Exhibit No. 1 Exhibit Nos. 3		9	9 26			
12	EXHIBIT NOS.	5 0	2	20			
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							

- 1 ADMINISTRATIVE LAW JUDGE BENN: Pursuant to the
- 2 direction of the Illinois Commerce Commission, I now
- 3 call Docket No. 08-0520. This is Sage Spectrum, LLC,
- 4 an application for a certificate of local and
- 5 interexchange authority to operate as a reseller and
- 6 facilities-based carrier of telecommunications
- 7 services throughout the State of Illinois.
- 8 May I have the parties enter their
- 9 appearances for the record.
- 10 MS. BURT: Your Honor, this is Danielle Burt an
- 11 attorney at Bingham McCutchen. My address is 2020 K
- 12 Street, Washington, D.C. 20006.
- 13 ADMINISTRATIVE LAW JUDGE BENN: And,
- 14 Ms. McCutchen (sic), do you have a license to
- 15 practice in Illinois?
- MS. BURT: No, your Honor.
- 17 ADMINISTRATIVE LAW JUDGE BENN: Where are you
- 18 licensed to practice?
- 19 MS. BURT: I am licensed to practice by the
- 20 state of New York and by the District of Columbia.
- 21 ADMINISTRATIVE LAW JUDGE BENN: Are you aware
- 22 whether the state of New York or the District of

- 1 Columbia has a reciprocal arrangement which allows an
- 2 attorney to practice in Illinois?
- 3 MS. BURT: I cannot speak to New York, but I
- 4 believe the District of Columbia does.
- 5 ADMINISTRATIVE LAW JUDGE BENN: Okay. In that
- 6 case, will you be entering your appearance
- 7 pro hoc vice today?
- 8 MS. BURT: Yes, your Honor, I am.
- 9 ADMINISTRATIVE LAW JUDGE BENN: Okay. Can I
- 10 have the appearance of staff, please.
- 11 MS. CHANG: This is staff for Illinois Commerce
- 12 Commission. My name is Karen Chang. My office is
- 13 located at 527 East Capitol Avenue, Springfield,
- 14 Illinois 62701.
- 15 ADMINISTRATIVE LAW JUDGE BENN: And, Ms. Chang,
- 16 do you have any objection to Ms. Burt appearing
- 17 pro hoc vice today?
- 18 MS. CHANG: Staff has no objection.
- 19 ADMINISTRATIVE LAW JUDGE BENN: It's my
- 20 understanding, Ms. Burt, that you have Mr. Andrew
- 21 Karl set to appear today?
- MS. BURT: Yes, your Honor.

- 1 ADMINISTRATIVE LAW JUDGE BENN: Mr. Karl, I'm
- 2 going to swear you in.
- 3 (Witness sworn.)
- 4 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- 5 Ms. Burt, you could proceed with your witness.
- 6 MS. BURT: Thank you, your Honor.
- 7 (Witness previously sworn.)
- 8 ANDREW KARL,
- 9 called as a witness herein, having been first duly
- 10 sworn, was examined and testified as follows:
- 11 DIRECT EXAMINATION
- 12 BY
- 13 MS. BURT:
- Q Would you please state your name, position
- 15 and business address.
- 16 A My name is Andrew Karl. My title is
- 17 regulatory compliance manager of Sage Telecom, Inc.,
- 18 which will offer a Sage Spectrum, LLC, under a
- 19 management agreement. My business address is 805
- 20 Central Expressway, South Suite 100, Allen, Texas
- 21 75013.
- 22 Q Could you please briefly describe your

- 1 responsibilities and background qualifications.
- 2 A My job responsibilities involve overseeing
- 3 the regulatory compliance issues of the applicant,
- 4 including certification, tariffs, reporting and
- 5 responding to regulatory information requests.
- I received a bachelor's of business
- 7 administration and a minor in accounting from the
- 8 University of North Texas in May 2006. I have seven
- 9 years of telecommunications experience in the areas
- 10 of customer service and regulatory affairs.
- 11 ADMINISTRATIVE LAW JUDGE BENN: Excuse me,
- 12 Ms. Burt, I'm sorry to interrupt you. Could you
- 13 please have your witness repeat how many years.
- MS. BURT: Yes, your Honor.
- 15 BY MS. BURT:
- 16 Q Mr. Karl, could you please indicate again
- 17 for the record how many years you have been working
- 18 in telecommunications.
- 19 A Sure. I have seven years of
- 20 telecommunication experience in customer service and
- 21 regulatory affairs.
- 22 ADMINISTRATIVE LAW JUDGE BENN: Thank you.

- 1 MS. BURT: Thank you.
- 2 BY MS. BURT:
- 3 Q Mr. Karl, could you please state the
- 4 authority being sought in the instant proceedings.
- 5 A The applicant seeks to offer all forms of
- 6 resold and facilities-based interexchange and local
- 7 exchange telecommunications services throughout the
- 8 State of Illinois.
- 9 While the applicant does not intend to
- 10 offer prepaid service initially, applicant may offer
- 11 such services in the future; and, therefore, also
- seeks authority to provide prepaid services.
- Q Mr. Karl, do you have with you today a copy
- 14 of the document entitled Prefiled Testimony of Andrew
- 15 Karl on behalf of Sage Spectrum, LLC?
- 16 A Yes, I do.
- 17 Q And was that document prepared by you or
- 18 under your direction?
- 19 A Yes, it was.
- 20 Q And if I were to ask you the questions that
- 21 are contained in that document today, would your
- 22 answers be the same; or, if not, do you have any

- 1 corrections to make?
- 2 A My answers would be the same.
- 3 Q Would you please explain how Sage Spectrum,
- 4 LLC, will obtain new customers?
- 5 A The applicant has not yet determined if
- 6 outbound telemarketing will be used in Illinois. If
- 7 applicant does intend to use outbound telemarketing,
- 8 then applicant will comply with all rules regarding
- 9 such.
- 10 Applicant's primary method of
- 11 marketing will involve at least of mailers that
- 12 generate inbound calls from perspective customers.
- 13 Q Thank you, Mr. Karl.
- 14 MS. BURT: I have no further direct questions
- 15 for this witness. But I would ask that the prefiled
- 16 testimony that was filed on September 30th, 2008, be
- 17 received in evidence as if it were provided orally
- 18 today.
- 19 ADMINISTRATIVE LAW JUDGE BENN: Ms. Chang, do
- 20 you have any objection to entering the prefiled
- 21 testimony as Exhibit 1 to the record?
- MS. CHANG: Staff has no objection, your Honor.

- 1 (Whereupon, Applicant's Exhibit
- No. 1 was marked for
- identification.)
- 4 ADMINISTRATIVE LAW JUDGE BENN: Okay. Then
- 5 I'll allow you to proceed with cross-examination.
- 6 MS. CHANG: Okay.
- 7 CROSS-EXAMINATION
- 8 BY
- 9 MS. CHANG:
- 10 Q Mr. Karl, this is Karen Chang. I have a
- 11 couple of questions.
- 12 You stated in your testimony that you
- 13 have seven years -- I'm sorry.
- Okay. Mr. Karl you said you have
- 15 seven years experience with telecommunications
- 16 services. How long have you been with Sage
- 17 Telecommunications, Incorporated?
- 18 A I have been with Sage Telecom, Inc., for
- 19 seven years.
- 20 Q Okay. So the seven years you have in this
- industry is completely with Sage Telecom, Inc.?
- 22 A That is correct.

- 1 Q Okay. I was reading your testimony, and I
- 2 hope that you can help me paint a better picture of
- 3 this relationship.
- 4 You said the Sage Spectrum, LLC, is
- 5 owned by Sage HoldCo, LLC; is that correct?
- 6 A That is correct.
- 7 Q And then you said Sage Spectrum, LLC, will
- 8 be operated by Sage Telecom, Inc.; is that correct
- 9 also?
- 10 A That is correct.
- 11 Q So what is the relationship between Sage
- 12 Koho -- HoldCo, LLC, and Sage Telecom, Inc.?
- 13 A Well, just in regards to Sage Spectrum,
- 14 LLC, and Sage Telecom, they are affiliates. They are
- 15 not direct affiliates, but both Sage -- the HoldCo,
- 16 LLC, and Sage Telecom do have a parent that they do
- 17 share. It's very indirect; but, you know, in the
- 18 scheme of the relationship, they do share a common
- 19 parent.
- 20 Q Okay. And what would that parent be?
- 21 A I believe SP Sage Investments, LLC.
- 22 Because Sage Telecom, Inc.'s, parent is SP Sage, LLC.

- 1 And both SP Sage, LLC, and Sage Spectrum HoldCo both
- 2 share SP Sage Investments, LLC.
- 3 Q Okay. Are you familiar with this
- 4 consolidated financial statement that's filed with
- 5 this application?
- A Yes, ma'am.
- 7 Q Okay. Could you give to me this Sage
- 8 Telecom, Inc., consolidated financial statement
- 9 including what all affiliates operations?
- 10 A The affiliates that are included in that
- 11 consolidated income statement, it would be Sage
- 12 Telecom, Inc., and Sage Telecom of Texas LP. Sage
- 13 Telecom of Texas LP operations in Texas only. And
- 14 Sage Telecom, Inc., operates in ten other states.
- 15 Q And you say Sage Spectrum, LLC, so far has
- 16 applied certificates in many states; is that correct?
- 17 A That is correct.
- 18 Q If Sage Spectrum, LLC, is granted a
- 19 certificate to operate here in Illinois, will it be
- 20 competing with Sage Telecom, Inc.?
- 21 A Sage Spectrum would not be competing with
- 22 Sage Telecom, Inc. The purpose of Sage Spectrum, LLC

- 1 was initially created to -- for, like, the management
- 2 to start getting acquisitions from other companies,
- 3 and for those acquisitions to be under the Sage
- 4 Spectrum, LLC. And also for Sage Spectrum to start
- 5 offering services, for instance, in the future, like
- 6 prepaid service, which Sage Telecom, Inc., does not
- 7 currently do.
- 8 Q Okay. So your position, Mr. Karl, is
- 9 that -- are you -- please forgive me. I'm a little
- 10 bit confused.
- 11 A Okay.
- 12 Q You are the regulatory compliance person
- 13 for Sage Spectrum, LLC; is that correct?
- 14 A No, that is not correct. I am the
- 15 regulatory compliance manager of Sage Telecom, Inc.
- 16 Q Okay. And what position are you in Sage
- 17 Spectrum, LLC?
- 18 A I am not an employee of Sage Spectrum, LLC.
- 19 O Okay. So what you have answered in my
- 20 question earlier, you are saying that Sage Telecom,
- 21 Inc., has a strategy and that strategy is to have
- 22 Sage Spectrum, LLC, establish to -- for future

- 1 acquisitions?
- 2 A Correct. They would acquire customers from
- 3 other companies. And another thing, they would also
- 4 be in different types of market that Sage Telecom,
- 5 Inc., is not currently in.
- 6 Q Okay. With this consolidated financial
- 7 statement ended in December 2007, it's been nine
- 8 months old, are you aware of any significant change
- 9 of their financial condition since December of 2007?
- 10 A No, I'm not aware of any significant
- 11 financial difference from the end of December 2007
- 12 until now.
- 13 MS. CHANG: Okay. This is all the questions I
- 14 have, your Honor.
- 15 ADMINISTRATIVE LAW JUDGE BENN: Okay. I have a
- 16 few questions of my own. Give me one second.
- 17 EXAMINATION
- 18 BY
- 19 ADMINISTRATIVE LAW JUDGE BENN:
- 20 Q Okay. Mr. Karl? Mr. Karl, can you hear
- 21 me?
- 22 A Yes, I can hear you.

- 1 Q Okay. I understand from the application
- 2 that the company is seeking authority to provide
- 3 telecommunications services pursuant to
- 4 Sections 13-403, 13-404 and 13-405 of the Public
- 5 Utilities Act; is that correct?
- 6 A That is correct.
- 7 Q And pursuant to the Section 13-404, does
- 8 the company plan to resell both local and
- 9 interexchange services?
- 10 A That is correct.
- 11 Q Okay. Will the corporate name on the
- 12 certificate be the same name as stating on the
- application, which is Sage Spectrum, LLC?
- 14 A That is correct.
- 15 Q And we've discussed a number of other
- 16 companies, a parent company and another subsidiary.
- 17 Is it my understanding today that there will be no
- 18 assumed or doing business as names within the
- 19 corporation?
- 20 A That is correct.
- 21 Q Okay. Where is your -- where is the LLC
- 22 incorporated?

- 1 A It is incorporated in Delaware.
- 2 Q And where does Sage Spectrum, LLC, intend
- 3 to maintain its books and records?
- 4 A It would be in Texas.
- 5 Q In Texas?
- 6 A Correct.
- 7 Q Is the corporate seeking permission to
- 8 maintain those books and records outside of Illinois
- 9 and in Texas pursuant to Illinois -- excuse me. 83
- 10 Illinois Administrative Code Part 250?
- 11 A That is correct.
- 12 Q In addition, is Sage Spectrum, LLC, is
- 13 seeking a waiver pursuant to Part 710 of the Uniform
- 14 Systems of Accounts for telecommunications carriers?
- 15 A That is correct.
- Q As well as Part 735, which is the
- 17 procedures for governing the establishment of credit,
- 18 billing deposits, termination of service, and
- issuance of telephone directories?
- 20 A That is correct.
- 21 Q Also, with regard to the local exchange
- 22 services you're seeking, is the corporation also

- 1 seeking a variance from Section 735.180 of Part 735
- 2 of the Code?
- 3 A That is correct.
- 4 Q And will the applicant be making
- 5 arrangements with the local company to list its
- 6 customers in its directories?
- 7 A That is correct.
- 8 Q Okay. Will Sage Spectrum, LLC, be
- 9 providing its own technical support, or will you be
- 10 using an outside service?
- 11 A In terms of technical support, do you mean
- 12 like actual technicians?
- 13 Q Yes.
- 14 A We would use the ILECs' technicians for
- 15 that.
- 16 Q ILECs? Could you expand on what type of
- 17 technical support you'll be seeking from them?
- 18 A Sure.
- 19 For instance, for AT&T of Illinois, we
- 20 would use -- their technicians would actually be
- 21 dispatched to the customer's location.
- It would be the employees of Sage

- 1 Spectrum that will actually run what they call a line
- 2 test, which is a mechanized loop test, from the
- 3 office in Texas. And then from there, they would
- 4 dispatch through AT&T's user board and, you know,
- 5 confirm an appointment. But it would be the actual
- 6 AT&T technician that would show up at the customer's
- 7 premises.
- 8 Q And will Sage Spectrum be providing the
- 9 customer services for the company?
- 10 A It will be through Sage Telecom, Inc.
- 11 Q Okay. So the customer service end will
- 12 come through Sage Telecom, Inc.?
- 13 A Correct.
- 14 O And the testing of any of the technical --
- for the technical support will take place by Sage
- 16 Spectrum, LLC?
- 17 A Well, actually, that will be through Sage
- 18 Telecom.
- 19 O Okay. Through Sage Telecom?
- 20 A Correct. I'm sorry.
- 21 Q But the actual repair will be handled by
- the local company?

- 1 A Correct.
- Q Okay. One second.
- Who's the customer service going to
- 4 handle, again, please? Is that Sage Spectrum, LLC?
- 5 A It will be Sage Telecom, Inc. Sage
- 6 Telecom, Inc., will provide customer service to Sage
- 7 Spectrum.
- 8 Q And Sage Telecom will also handle the
- 9 testing for technical support?
- 10 A That is correct.
- 11 Q And the local company will handle the
- 12 actual repair?
- 13 A Correct.
- Q Will Sage Spectrum, LLC, adhere to all
- 15 federal and state laws and regulations regarding
- 16 slamming and cramming?
- 17 A That is correct.
- 18 Q With regard to the managerial officers that
- 19 you provided as part of Exhibit D to the
- 20 application --
- 21 A Yes, ma'am.
- 22 Q -- can you tell me if these officers and

- 1 managers are employees of Sage Spectrum, LLC, or are
- 2 they employees of Sage Telecom, Inc.?
- 3 A They are employees of Sage Telecom, Inc.
- 4 Q And in your prefiled testimony, you
- 5 mentioned that there -- that these employees are
- 6 operating -- will operate Sage Spectrum, LLC,
- 7 pursuant to management agreement.
- 8 A That is correct.
- 9 Q If you know, could you give me a brief
- 10 narrative of the management agreement between Sage
- 11 Telecom, Incorporated, and Sage Spectrum, LLC?
- 12 A From one I'm aware of, the management
- 13 agreement will provide management services and some
- 14 initial financial support from Sage Telecom, Inc., to
- 15 Sage Spectrum for a period of about a year. And then
- 16 from then, it will just be customer service and
- 17 operational and marketing support as well.
- 18 Q And who will be the managers and technical
- 19 officers after that one-year period? Who will handle
- 20 that?
- 21 A I believe it would still be through Sage
- 22 Telecom, Inc.

- 1 Q Will --
- 2 A It's just --
- 3 Q I'm sorry. Go ahead.
- 4 A The first year would just be for the
- 5 financial support. All the operational and the
- 6 customer service and the management and the technical
- 7 will still be through Sage Telecom, Inc.
- 8 Q Okay. So the manager -- managerial and the
- 9 technical will remain with Sage Telecom, Inc.?
- 10 A Yes, ma'am.
- 11 O Okay. And other the persons named in
- 12 Exhibit D, are there any other management or
- 13 technical officers in the company other than those
- 14 mentioned today or included in your application?
- 15 A I'm sorry?
- 16 O I'm sorry. So there are none other than
- 17 those mentioned on Exhibit D?
- 18 A Correct.
- 19 Q Okay. And I don't know if I asked you this
- 20 before. Has Sage Spectrum, LLC, been granted the
- 21 authority to transact business in Illinois?
- 22 A No, it has not.

- 1 MS. CHANG: May I interrupt? This is staff.
- 2 ADMINISTRATIVE LAW JUDGE BENN: Okay. Go
- 3 ahead.
- 4 MS. CHANG: It is true that Spectrum has --
- 5 Sage Spectrum, LLC, has the authority to -- its
- 6 Exhibit C to transact business in Illinois.
- 7 ADMINISTRATIVE LAW JUDGE BENN: That's what I
- 8 noted.
- 9 THE WITNESS: Oh, yes. I'm sorry. I just --
- 10 yes.
- 11 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- 12 BY ADMINISTRATIVE LAW JUDGE BENN:
- 14 answer to say that Sage Spectrum, LLC, does have
- 15 authority to transact business in Illinois?
- 16 A Yes, Sage Spectrum does have authority to
- 17 transact business in Illinois.
- 18 Q Okay. You stated in your previous
- 19 testimony today that you intended to provide prepaid
- 20 calling services in the future; is that correct?
- 21 A Your Honor, it would be prepaid local
- 22 services and possibly prepaid long-distance.

- 1 Q Okay.
- 2 A It would not be through a prepaid calling
- 3 card.
- 4 Q Okay. I just wanted to be clear.
- 5 ADMINISTRATIVE LAW JUDGE BENN: All right.
- 6 Well, then, turning to what we have as exhibit -- is
- 7 Ms. Burt still present?
- 8 MS. BURT: Yes, your Honor.
- 9 ADMINISTRATIVE LAW JUDGE BENN: Previously, you
- 10 entered as Exhibit 1 the prefiled testimony of Andrew
- 11 Karl today. And so I will direct the court reporter
- 12 to add, noted as Exhibit 1, the prefiled testimony,
- which was previously filed on E-docket on
- 14 September 30th, 2008.
- 15 With regard to -- you have attached
- 16 financial information as Exhibit E to the application
- 17 and you have also attached -- or referenced as
- 18 Exhibit G a confidential chart of accounts.
- I note that I have received from the
- 20 company as filed on E-docket on September 4th a
- 21 motion for confidential treatment of the financial
- 22 statements as well as the confidential chart of

- 1 accounts for the applicant.
- 2 Is your intent to bring these -- bring
- 3 this motion pursuant to 220 Illinois Compiled
- 4 Statute, Section 5, dash, 109 of the Illinois Public
- 5 Utilities Act?
- 6 MS. BURT: Yes. Also with respect to
- 7 Section 200, dash, 2, dot, 430 of the Illinois
- 8 Administrative Code.
- 9 ADMINISTRATIVE LAW JUDGE BENN: Okay. In
- 10 addition, I note on your motion that you're seeking
- 11 confidential treatment, as I stated prior, all the
- 12 financial statements of the manager as well as the
- 13 confidential chart of accounts of the applicant.
- 14 MS. BURT: That is correct.
- 15 ADMINISTRATIVE LAW JUDGE BENN: I am noting
- 16 that you are seeking that treatment, but I do not see
- in the motion where you're stating the length of time
- 18 you're seeking the confidential and proprietary
- 19 treatment.
- 20 How long do you intend to seek that
- 21 coverage?
- 22 MS. BURT: We would request that the period of

- 1 confidential treatment, if granted, be given for up
- 2 to three years.
- 3 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- 4 Ms. Chang, do you have any objection to the motion
- 5 for confidential treatment of the financial
- 6 statements and confidential chart of account for the
- 7 applicant?
- 8 MS. CHANG: Your Honor, staff has no objection.
- 9 ADMINISTRATIVE LAW JUDGE BENN: Then I will
- 10 grant the motion for confidential treatment of the
- 11 financial statements and confidential chart of
- 12 account for the applicant and recommend to the
- 13 Commission that those documents be afforded
- 14 proprietary treatment for a period of three years.
- 15 Counsel, are you also entering the
- 16 other attachments as stated on your application as
- 17 exhibits into the record, namely, Exhibit A, which is
- 18 the list of contacts?
- 19 MS. BURT: Your Honor --
- 20 ADMINISTRATIVE LAW JUDGE BENN: Exhibit -- I'm
- 21 sorry?
- MS. BURT: Yes. Yes, we would ask that it be

- 1 entered into the record.
- 2 ADMINISTRATIVE LAW JUDGE BENN: As well as
- 3 Exhibit B, the certificate of formation?
- 4 MS. BURT: Yes. We would ask that that also be
- 5 entered into the record.
- 6 ADMINISTRATIVE LAW JUDGE BENN: With regard to
- 7 the other exhibits, Exhibit C, Exhibit D, and
- 8 Exhibit F, will you be also entering those into the
- 9 record?
- 10 MS. BURT: Yes, your Honor. We would,
- 11 likewise, request that those exhibits be entered.
- 12 ADMINISTRATIVE LAW JUDGE BENN: As well as
- 13 Exhibit G, which we previously discussed is the
- 14 confidential chart of accounts.
- MS. BURT: Correct.
- 16 ADMINISTRATIVE LAW JUDGE BENN: Okay. Any
- objection, Ms. Chang?
- MS. CHANG: No objections, your Honor.
- 19 ADMINISTRATIVE LAW JUDGE BENN: Okay. Then I
- 20 will also direct the court reporter to include as
- 21 additional exhibits what we have mentioned
- 22 previously, which is Exhibit 3, being the contact

- 1 information for Spectrum, LLC; Exhibit 4, the
- 2 certificate of formation for LLC -- for Sage
- 3 Spectrum, LLC; Exhibit 5, the authority to transact
- 4 business in Illinois; Exhibit 6, the management and
- 5 technical qualifications for the company; Exhibit 7,
- 6 the UTAC and ITAC forms; and previously referred to
- 7 as in the motion for confidential treatment,
- 8 Exhibit 8, which is the confidential chart of
- 9 accounts.
- 10 (Whereupon, Applicant's Exhibit
- Nos. 3-8 were marked for
- identification.)
- 13 ADMINISTRATIVE LAW JUDGE BENN: Finally,
- 14 Ms. Chang, I didn't ask you if you had a
- 15 recommendation with regard to granting these
- 16 certificates to the applicant.
- 17 MS. CHANG: Your Honor, before I answer that
- 18 question, I have another question for the applicant
- 19 as well as for you that I wasn't clear on.
- 20 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- 21 MS. CHANG: Okay. In this testimony, Mr. Karl
- 22 said that they also seek authority to provide prepaid

- 1 local exchange and interexchange services. And
- 2 further, the applicant may also provide access line
- 3 to provide of pay phone services.
- 4 And this was in the testimony, but
- 5 staff wasn't sure how will this be included in the
- 6 recommendation.
- 7 ADMINISTRATIVE LAW JUDGE BENN: Actually, it
- 8 was my intent to include in the recommendation
- 9 exactly what the applicant has been seeking, which is
- 10 the local and interexchange authority.
- 11 If Mr. Karl or counsel would like to
- 12 point out to me where you're seeking authority for
- pay phones, I would entertain that separately.
- 14 THE WITNESS: Your Honor, this is Andrew.
- 15 Regarding the pay phone service, it would not be --
- 16 we don't wish to provide pay phone service. It would
- 17 just be for access line service. And this would just
- 18 be a component that will be included in the tariff.
- 19 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- MS. CHANG: Okay.
- 21 ADMINISTRATIVE LAW JUDGE BENN: Okay. Is that
- 22 fine then, counsel?

- 1 MS. CHANG: It is. It must be my
- 2 misunderstanding.
- 3 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- 4 MS. CHANG: Okay. Yes. This is staff, Karen
- 5 Chang. I have a recommendation for Sage Spectrum,
- 6 LLC; that their request for 13-403, 13-404, 13-405 be
- 7 granted because the company shows technical,
- 8 managerial, and financial strength that will be able
- 9 to provide this services in Illinois.
- 10 ADMINISTRATIVE LAW JUDGE BENN: Okay.
- 11 Ms. Chang, I will accept your recommendation and
- 12 consider that along with the record in preparing a
- 13 recommendation to the Commission accordingly.
- 14 Is there anything else for the good of
- 15 the record today?
- MS. BURT: Not from us, your Honor.
- 17 ADMINISTRATIVE LAW JUDGE BENN: Anything from
- 18 staff?
- 19 MS. CHANG: No more things from staff. Thank
- 20 you.
- 21 ADMINISTRATIVE LAW JUDGE BENN: Okay. Then I
- 22 will mark this record heard and taken, and thank you

1	ior	your	time.			
2				HEARD	AND	TAKEN
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						